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PUBLIC UTILITIES
COMMISSION

November 9, 2011

Chair, Public Utilities Commission

State of Hawaii

465 South King Street, #103

Honolulu, HI. 96813

Testimony

Chapter 6-83

Hawaii Administrative Rules

Paul Vierling, General Manager

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Dear Chair,

Thank you for the opportunity to present information for consideration by the Public Utilities Commission concerning the Hawaii One Call System. One of the major challenges facing our company as a utility contract locator is the size of tickets that are called into the Hawaii One Call Center. We are requesting consideration to place a distance limit of 250' per ticket for a single locate.

Our research indicates that different states do different things...some define ticket size through a "Center Board"...some by State law. Some states have multiple definitions depending on whether they are urban locates or rural locates. Some have a definition of "Large Project locates", giving extra time to get them completed...but not breaking down the actual ticket size. Contract locators like us negotiate and develop rates with individual facility operators and most often our rate/s are based upon a per ticket amount paid by the utility company.

Contract locators in some states like Portland, Washington, Oregon and Montana negotiate with contract locators to include pricing in their contracts for large locates,



breaking them down by footages...so a locate over a certain footage is billed differently to the facility operator then what would be considered a standard size locate...so there may be a base rate plus so much per foot for locate request over x number of feet...they also charge or have separate criteria for design locates and update/remark locates where they are just refreshing marks and even emergency or after hours locates.

Here in Hawaii, we believe it helps to save a utility operator money, thereby theoretically reducing or slowing rate increases to rate payers if a utility company can contract out their utility locating to a contract locator for less money than it requires for them to do their own locates.

We have found that the least expensive and economically efficient method to achieve the above is to charge as small amount as possible to locate a ticket and have that ticket be limited in size to 250' per locate, this is the simplest method of determining value.

As far as large projects Oregon has added verbiage through administrative rules defining large projects to some extent...however the definition only requires excavator to work with locators in large project situations to allow added time for marks and does nothing in terms of breaking large projects down over numerous locate tickets. (In Oregon wait time is 48 business day hours).

The same type of thing is being included in Washington law starting Jan 2013...large projects are being defined, and excavators must make individual contact with each member facility operator before hand under the law. The wait time may also be extended in large project situations, but the ticket size itself is not affected in any way....only the amount of time given to locate. (In Washington wait time is 2 full business days)

Facility operators in both states did not want to reduce the size of a ticket because they did not want to increase their cost since they pay per ticket....however, they did want some provision to increase the time they had to respond and locate the area. They also felt that breaking down large project tickets into smaller tickets would only increase the cost over all, but not increase the time that they had to get the entire area marked which was their goal (instead of having 1 large ticket due in 2 days, breaking them down would mean having 10 smaller tickets (increased cost) but still the 2 days to get them all done.)

Oregon does not have an expiration time associated with its tickets....once marked, that is it...the excavator is responsible for maintaining marks for the life of the project.



Starting Jan 2013, Washington is adopting a 45 day life to a ticket...requiring excavators to maintain marks for 45 days, but updating at that point. Montana is currently 30. In Hawaii the life of a ticket is 28 days. Most states across the country have some time frame associated with them...anywhere from as little as 10 days up to and including life of the projects. Several states are adopting longer time frames, going from 10 day to 30 days for example. Normally only large project tickets are affected by these rules since they are large projects that take longer to complete.

What we hear from locators in Oregon who get large project tickets, they call the excavator and work out a schedule for marking, keeping ahead of the excavation over time..so they may say to the excavator on a 10 mile project, what part of the project are you going to be working on over the next 5 days? over 10 days? over 15 days? then they agree to stop by on a schedule to keep ahead of the excavation and provide fresh marks as the project progresses. That is not always feasible however...

Most states pay the One Call Center per Incoming or Outgoing ticket...Hawaii is not set up that way...Our vendor in Hawaii currently is paid a flat rate per month. They get the same monthly fee if they process 1 ticket or 50,000 tickets per month, so while they want to encourage every excavator to call in for locates, they do not want to encourage an over inflated number of locates that translate into increasing their expenses, unless they have an opportunity to go back and say the scope of work under the RFP/contract has changed and so they need to be compensated for that change. With the political climate in government, chances of doing that are not good. Facility operators are also not going to want to pay more in ticket costs either, unless it saves money overall, which we believe it does if locates are performed

So I guess what I am saying, is there are a lot of pushes and pulls dealing with large excavation projects...there are pros and cons to everything that is set out there, but what needs to be kept in mind is what is reasonable, what is fair and what will keep people and the public safe over all and allow for contract locators like us to tone out a ticket in a reasonable period of time, normally we want to tone a ticket in an average of 15 minutes per ticket. If Hawaii is going to maintain a 28 day time period for their tickets, then we would it seem reasonable to limit the size of a ticket locate to 250' and consider changes to the current contract with our One Call vendor to address an increased number of tickets called in.

I think this is something that all geographical area's struggle with, and what may work in one area may be a total failure in another. It's good to have the discussion and it's also good for people to have an understanding of what is going on over all.